

STATE OF CALIFORNIA—BUSINESS, TRANSPORTATION AND HOUSING AGENCY

GRAY DAVIS, Governor

**DEPARTMENT OF TRANSPORTATION**  
ACCOUNTING SERVICE CENTER  
P. O. BOX 168043 – SUITE - EX  
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PHONE (916) 227-9293  
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March 4, 1999

Mr. William O. Todd  
Right of Way Officer  
Federal Highway Administration  
980 9<sup>th</sup> Street, Suite 400  
Sacramento, CA 95814-2724

Dear Mr. Todd:

Public Law 105-178, the Transportation Equity Act for the 21<sup>st</sup> Century, Section 1303, provides that "the Federal Share of the net income from the revenues obtained by the State under subsection (a) shall be used by the State for projects eligible under this title". Caltrans desires to use the Federal share of the revenues on Title 23 projects and provides the following information:

1. The State Transportation Fund is a Special Revenue Fund used primarily for Title 23 Projects.
2. All the Federal share of revenue from sales and leases is deposited in this fund.
3. The amount expended by Caltrans for Title 23 projects exceeds \$2.5 billion annually.
4. The Federal share of the revenue from sales and leases is approximately \$6.6 million annually.

Therefore, since the amount of the revenue is substantially less than the amount of expenditures, Caltrans has met the intent of Public Law 105-178 and therefore will not be required to track and report the expenditures from these revenues by project.

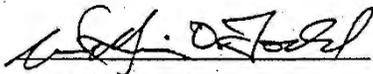
If you have any questions regarding this matter, please call Andy Rosehill at (916) 227-9869.

Sincerely,

A handwritten signature in cursive script that reads "Maria H. Cornelius".

MARIA H. CORNELIUS, Chief  
Office of Accounts Receivable  
And Program Accounting

I CONCUR:



WILLIAM O. TODD  
Right of Way Officer  
Federal Highway Administration

DATE: 3/8/99

c: ARosehill, ASC  
JPeterson, ASC  
AJDodd, ASC  
DShields, RWay  
DTeece, FHWA